

**Introduced by Senator Lara**February 11, 2015

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An act to add and repeal Chapter 7 (commencing with Section 10551) of Part 2.2 of Division 6 of the Water Code, relating to water.

## LEGISLATIVE COUNSEL'S DIGEST

SB 208, as introduced, Lara. Integrated regional water management plans: grants: advanced payment.

Existing law, the Integrated Regional Water Management Planning Act, authorizes a regional water management group to prepare and adopt an integrated regional water management plan with specified components relating to water supply and water quality. Existing law provides that an integrated regional water management plan is eligible for funding allocated specifically for implementation of integrated regional water management.

Existing law, the Water Quality, Supply, and Infrastructure Improvement Act of 2014, approved by the voters as Proposition 1 at the November 4, 2014, statewide general election, authorizes the issuance of general obligation bonds in the amount of \$7,545,000,000 to finance a water quality, supply, and infrastructure improvement program. The act provides that the sum of \$810,000,000 is to be available, upon appropriation by the Legislature, for expenditures on, and competitive grants and loans to, projects that are included in and implemented in an adopted integrated regional water management plan and respond to climate change and contribute to regional water security.

This bill would require a regional water management group, within 90 days of notice that a grant has been awarded, to provide the state entity administering the grant with a list of projects to be funded by the grant funds where the project proponent is a nonprofit organization, as

defined, or a disadvantaged community, as defined, or the project benefits a disadvantaged community. This bill would require the state entity administering the grant, within 60 days of receiving the project information, to provide advanced payment of 50% of the grant award for those projects that satisfy specified criteria and would require the advanced funds to be handled, as prescribed. This bill would repeal these provisions on January 1, 2025.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Chapter 7 (commencing with Section 10551) is  
2 added to Part 2.2 of Division 6 of the Water Code, to read:

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4 CHAPTER 7. ADVANCED PAYMENT OF GRANT FUNDS  
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6 10551. (a) Within 90 days of notice that a grant for projects  
7 included and implemented in an integrated regional water  
8 management plan has been awarded, the regional water  
9 management group shall provide the state entity administering the  
10 grant with a list of projects to be funded by the grant funds where  
11 the project proponent is a nonprofit organization or a disadvantaged  
12 community, or the project benefits a disadvantaged community.  
13 The list shall specify how the projects are consistent with the  
14 adopted integrated regional water management plan and shall  
15 include all of the following information:

- 16 (1) Descriptive information concerning each project identified.
- 17 (2) The names of the entities that will receive the funding for
- 18 each project, including, but not limited to, an identification as to
- 19 whether the project proponent or proponents are nonprofit
- 20 organizations or a disadvantaged community.
- 21 (3) The budget of each project.
- 22 (4) The anticipated schedule for each project.

23 (b) Within 60 days of receiving the project information pursuant  
24 to subdivision (a), the state entity administering the grant shall  
25 provide advanced payment of 50 percent of the grant award for  
26 those projects that satisfy both of the following criteria:

1 (1) The project proponent is a nonprofit organization or a  
2 disadvantaged community, or the project benefits a disadvantaged  
3 community.

4 (2) The grant award for the project is less than one million  
5 dollars (\$1,000,000).

6 (c) Funds advanced pursuant to subdivision (b) shall be handled  
7 as follows:

8 (1) The recipient shall place the funds in a noninterest-bearing  
9 account until expended.

10 (2) The funds shall be spent within six months of the date of  
11 receipt, unless the state entity administering the grant waives this  
12 requirement.

13 (3) The recipient shall periodically, but not more frequently  
14 than quarterly, provide an accountability report to the state entity  
15 administering the grant regarding the expenditure and use of any  
16 advanced grant funds in a format as determined by that state entity.

17 (4) If funds are not expended, the unused portion of the grant  
18 shall be returned to the state entity administering the grant within  
19 60 days after project completion or the end of the grant  
20 performance period, whichever is earlier.

21 (d) As used in this section:

22 (1) “Disadvantaged community” has the same meaning as  
23 defined in subdivision (j) of Section 79702.

24 (2) “Nonprofit organization” has the same meaning as defined  
25 in subdivision (p) of Section 79702.

26 10552. This chapter shall remain in effect only until January  
27 1, 2025, and as of that date is repealed, unless a later enacted  
28 statute, that is enacted before January 1, 2025, deletes or extends  
29 that date.